THE PRINCE EDWARD ISLAND LABOUR MARKET

1982 REVIEW

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INTRODUCTION

Manpower planning is an important process given our current economic conditions. In order to improve our manpower planning capabilities, it is critical to examine changes in population, unemployment and participation rates. It is difficult to pinpoint precise explanations for labour market changes, nonetheless, it is essential to provide several possible explanations for the changes.

The purpose of this report is to examine the Prince Edward Island 1982 labour market and determine the changes that have occurred in the last year. As well, the report will discuss Prince Edward Island's 1983 economic outlook.

The data used in this paper are not generated from Department of Labour studies but rather are taken from various Statistics Canada publications and Canada Employment and Immigration Commission Administrative Data. For a further explanation of how the data were generated please see Appendix I.

POPULATION

The population of Prince Edward Island has experienced a number of shifts in the past seventy years. For example, between 1901 and 1931 the Prince Edward Island population declined by 15,000. Since the three main factors contributing to population variation are births, deaths, and migration, it would seem reasonable to assume that this decline was a result of net out-migration from Prince Edward Island.

After 1941 however, the population began to increase steadily so that by 1961, it had once again reached its 1901 high. Since 1961, the population has increased from 104,629 to 123,300, an increase of approximately 18 percent.

WORKING AGE POPULATION

As the population increases, the number of people of working age also increases. The term working age means those in the population between 15 and 64 years. Table 1 shows the size of the Prince Edward Island working age population by sex and by month between 1966 and 1982.

TABLE 1

PRINCE EDWARD ISLAND WORKING AGE POPULATION BY SEX: 1966 - 1982

	J	F	M	A	M	J	J	A	S	O	N	D	AVG.	Percent Growth
1966	68	68	68	68	68	68	68	68	69	69	69	69	68	
1967	69	69	69	69	69	69	69	69	69	70	70	70	69	1.47
1968	70	70	70	70	70	70	70	71	71	71	71	71	70	1.44
1969	71	71	71	72	72	72	72	72	72	72	72	72	72	2.85
1970	72	72	72	72	72	72	72	72	73	73	73	73	72	0.0
1971	73	73	74	74	74	74	74	74	74	74	74	74	75	2.7
1972	75	75	75	75	75	75	75	76	76	76	76	76	75	1.35
1973	76	77	77	77	77	77	77	77	77	77	78	78	77	2.66
1974	78	78	78	78	78	79	79	79	79	79	80	80	79	2.59
1975	80	80	80	80	81	81	81	81	81	81	81	82	81	2.53
1976	82	82	82	82	82	83	83	83	83	83	84	84	83	2.46
1977	84	84	84	84	85	85	85	85	86	86	86	86	85	2.40
1978	86	86	87	87	87	87	87	87	87	88	88	88	87	2.35
1979	88	88	88	88	88	89	89	89	89	89	89	90	89	2.29
1980	90	90	90	90	90	91	91	91	91	91	91	91	90	1.12
1981	91	91	91	91	91	91	91	91	92	92	92	92	91	1.1
1982	92	92	92	92	92	92	92	92	92	92	92	92	92	1.1
POPULATION PRINCE EDWARD ISLAND - MALES														
1975	39	39	39	39	40	40	40	40	40	40	40	40	40	
1976	40	40	40	40	40	41	41	41	41	41	41	41	41	2.5
1977	41	41	41	41	42	42	42	42	42	42	42	42	42	2.43
1978	42	42	42	43	43	43	43	43	43	43	43	43	43	2.38
1979	43	43	43	43	43	43	43	44	44	44	44	44	43	0.0
1980	44	44	44	44	44	44	45	45	45	45	44	44	44	2.32
1981	45	45	45	45	45	45	45	45	45	45	45	45	45	2.2
1982	45	45	45	45	45	45	45	45	45	45	45	45	45	0.0
POPULATION PRINCE EDWARD ISLAND - FEMALES														
1975	41	41	41	41	41	41	41	41	41	41	41	42	41	
1976	42	42	42	42	42	42	42	42	42	42	43	43	42	2.43
1977	43	43	43	43	43	43	43	43	44	44	44	44	43	2.38
1978	44	44	44	44	44	44	44	45	45	45	45	45	44	2.32
1979	45	45	45	45	45	45	45	45	46	46	46	46	45	2.27
1980	46	46	46	46	46	46	46	46	46	46	46	46	46	2.2
1981	46	46	46	46	46	46	46	47	47	47	47	47	46	0.0
1982	47	47	47	47	47	47	47	47	47	47	47	47	47	2.17

SOURCE: Historical Labour Force Statistics, Statistics Canada 71-201

Between 1966 and 1982, the working age population on Prince Edward Island increased by approximately 35 percent. Since 1973, however, the percentage growth has slowed somewhat. Between 1981 and 1982, the working age population increased by only 1.1 percent, the lowest percentage growth in eleven years.

In order to understand why the percentage growth has slowed in the working age population, one must first understand why the growth had been so high. Between 1946 and 1963, fertility rates across Canada were high, creating the so-called "Baby Boom." As this "baby boom" aged and began entering the work force, naturally the percentage growth in the working age population increased. After 1963, the fertility rates began to and have continued to decline. Since the youngest members of the "baby boom" are now approximately 20 years old, most of them are accounted for in the working age population, thus the number of people entering the job market has slowed somewhat.

The male working age population on Prince Edward Island showed no growth between 1981 and 1982, but the number of females in the working age population increased by 2.2 percent in 1982. This is a reversal of the 1981 figures when the female population grew by 2.2 percent.

As the working age population declines, such factors as participation rates and labour force size are also affected. It would seem that the influx of the "baby boom" into the labour force is nearly complete and percentage growth like that experienced in the early 1970's will possibly not occur again unless an unforeseen trend of large increases in in-migration should occur, or another marked increase in fertility

rates. Barring these two possibilities, the percentage growth in the working age population will remain relatively low.

PARTICIPATION RATES

Prince Edward Island had the highest participation rate in the Atlantic region in 1982 at 58.3 percent. When comparing this to national figures, however, the Prince Edward Island participation rate is 5.7 percentage points lower than Canada's. A higher percentage of people are employed part-time on Prince Edward Island then elsewhere in the Atlantic Region, which possibly explains why participation rates on Prince Edward Island are the highest in the Atlantic Region. In 1982, for example, 14.9 percent of those people employed on Prince Edward Island were part-time workers, the highest rate in the Atlantic Region.

Since 1970, the participation rate or the percentage of those working or looking for work has been steadily increasing. In 1982 however, the participation rate showed a decline of .8 percent. Although still above the participation rate levels of the late 1970's,this decline in 1982 suggests that there were fewer employment opportunities on Prince Edward Island during this time period.

Table 2 presents the Prince Edward Island adjusted and unadjusted participation rates by sex for 1966 to 1982.

TABLE 2

PRINCE EDWARD ISLAND PARTICIPATION RATES BY SEX : 1966 - 1982

Participation Rate Prince Edward Island Both Sexes

- Unadjusted Series -

	J	F	M	A	M	J	J	A	S	O	N	D	Avg.
1966	51.7	52.2	52.3	53.5	54.5	56.0	57.1	57.7	55.1	57.6	53.8	50.2	54.3
1967	48.0	50.1	51.6	51.9	53.4	55.7	56.9	57.4	55.7	58.3	52.1	52.1	53.6
1968	51.2	49.4	46.8	49.1	51.9	55.5	58.4	58.2	54.2	55.7	51.1	48.6	52.5
1969	51.5	49.3	49.0	51.3	54.4	57.1	60.2	60.6	56.7	59.2	53.9	49.9	54.4
1970	45.6	45.9	44.7	46.5	55.6	57.8	59.2	58.6	50.9	52.7	51.8	48.5	51.5
1971	49.5	49.8	48.8	51.2	54.1	58.0	61.2	59.9	56.7	55.1	54.8	52.6	54.3
1972	51.7	49.3	51.5	50.8	53.0	57.4	59.6	60.5	57.8	54.3	53.3	50.1	54.1
1973	48.3	48.9	49.9	51.2	57.9	62.7	60.0	62.3	57.3	53.5	51.8	50.8	54.6
1974	50.0	49.1	52.2	52.7	57.4	58.3	61.6	60.9	57.2	57.2	54.2	53.3	55.4
1975	51.2	50.3	50.6	51.9	57.7	59.5	62.9	63.6	59.9	60.2	55.7	54.0	56.5
1976	53.3	54.8	53.8	53.8	57.6	60.0	63.0	60.7	58.8	57.1	55.6	52.2	56.7
1977	50.9	53.4	53.9	54.9	59.3	61.8	63.2	63.3	57.7	56.8	55.5	53.3	57.0
1978	51.8	52.3	54.1	55.2	59.7	62.9	63.7	63.2	60.2	59.2	56.1	55.2	57.8
1979	53.5	53.5	55.9	57.5	60.4	62.8	64.5	64.9	61.3	60.0	59.3	57.2	59.3
1980	56.2	55.7	56.1	57.0	60.9	64.2	64.6	65.6	61.0	60.2	57.1	55.4	59.5
1981	54.2	54.0	55.5	56.0	61.7	63.7	65.1	64.9	61.0	59.4	58.2	55.5	59.1
1982	53.7	54.0	55.5	57.2	58.6	61.2	63.8	62.1	59.0	58.8	58.2	56.9	58.3

- Seasonally Adjusted Series -

	J	F	M	A	M	J	J	A	S	O	N	D
1966	57.4	55.9	57.4	55.9	55.9	54.4	51.5	52.9	52.2	52.2	53.6	52.2
1967	52.2	53.6	56.5	55.1	53.6	53.6	52.2	52.2	53.6	54.3	51.4	54.3
1968	55.7	52.9	51.4	51.4	52.9	52.9	52.9	52.1	52.1	52.1	50.7	50.7
1969	56.3	53.5	53.5	52.8	52.8	52.8	54.2	54.2	54.2	56.9	54.2	52.8
1970	51.4	51.4	50.0	48.6	55.6	54.2	52.8	52.8	47.9	50.7	52.1	52.1
1971	54.8	56.2	52.7	54.1	52.7	54.1	55.4	54.1	54.1	55.4	55.4	54.7
1972	57.3	54.7	56.0	53.3	52.0	53.3	53.3	53.9	55.3	53.9	53.9	52.6
1973	53.9	54.5	54.5	54.5	55.8	58.4	54.5	57.1	55.8	53.2	52.6	53.8
1974	55.1	55.1	56.4	55.1	55.1	54.4	55.7	55.7	54.4	57.0	55.0	56.3
1975	56.3	55.0	55.0	55.0	55.6	55.6	56.8	58.0	58.0	59.3	58.0	57.3
1976	57.3	59.8	57.3	56.1	56.1	55.4	57.8	54.2	56.6	56.6	56.0	56.0
1977	56.0	58.3	58.3	58.3	57.6	56.5	57.6	58.8	54.7	55.8	57.0	57.0
1978	57.0	57.0	57.5	57.5	57.5	58.6	58.6	58.6	58.6	58.0	56.8	59.1
1979	59.1	58.0	59.1	61.4	59.1	57.3	59.6	59.6	59.6	59.6	60.7	61.1
1980	61.1	61.1	58.9	60.0	60.0	59.3	59.3	60.4	59.3	59.3	58.2	58.2
1981	58.2	58.2	58.2	59.3	59.3	60.4	59.3	59.3	59.8	58.7	59.8	58.7
1982	58.7	58.7	58.7	59.8	57.6	56.5	58.7	56.5	57.6	58.7	58.7	59.8

TABLE 2 (continued)

Participation Rate Prince Edward Island - Males

- Unadjusted Series -

	J	F	M	A	M	J	J	A	S	O	N	D	Avg.
1975	67.8	66.6	65.7	67.1	76.4	76.6	78.1	78.8	74.8	75.7	70.3	67.9	72.2
1976	67.0	69.3	68.4	68.6	73.9	76.8	79.4	77.9	74.9	73.5	71.1	67.2	72.4
1977	64.5	66.4	67.7	69.7	75.4	77.4	78.5	78.8	72.7	71.3	69.1	67.0	71.5
1978	64.8	65.4	68.4	69.3	74.7	77.4	77.9	77.0	73.5	73.6	69.2	68.4	71.7
1979	66.4	66.4	69.9	70.3	74.7	76.5	78.8	78.9	75.1	73.4	73.2	70.8	72.9
1980	69.2	68.8	68.6	70.1	75.3	78.5	78.8	79.7	75.0	73.3	69.2	67.0	72.8
1981	66.3	66.0	67.5	69.0	74.5	77.0	78.4	77.5	73.2	71.7	69.4	66.7	71.4
1982	65.8	67.0	67.3	68.9	71.3	73.7	76.5	74.4	72.2	71.2	70.0	69.2	70.6

Participation Rate Prince Edward Island - Females

- Unadjusted Series -

	J	F	M	A	M	J	J	A	S	O	N	D	Avg.
1975	35.2	34.7	36.1	37.3	39.8	43.1	48.2	48.9	45.5	45.3	41.7	40.5	41.4
1976	40.0	40.8	39.7	39.5	42.0	43.8	47.1	44.1	43.2	41.2	40.6	37.8	41.7
1977	37.8	40.9	40.6	40.6	43.7	46.8	48.6	48.4	43.3	42.8	42.4	40.0	43.0
1978	39.3	39.7	40.4	41.6	45.2	48.9	50.1	49.9	47.5	45.3	43.5	42.5	44.5
1979	41.1	41.2	42.5	45.3	46.8	49.7	50.9	51.5	48.0	47.2	46.0	44.2	46.2
1980	43.7	43.1	44.1	44.5	47.0	50.4	51.0	51.9	47.5	47.5	45.5	44.2	46.7
1981	42.5	42.4	43.9	43.5	49.3	51.0	52.3	52.8	49.3	47.5	47.4	44.7	47.2
1982	42.1	41.4	44.1	45.8	46.3	49.0	51.5	50.3	46.2	46.9	46.8	44.9	46.3

SOURCE: Statistics Canada, Historical Labour Force Statistics, 71-201 (Page 231)

The male participation rate on Prince Edward Island in 1982 declined for the fourth year in a row, down 2.3 percentage points from 1979. It has been suggested that this is a result of several factors. Young males, at present, tend to delay their entry into the labour force, in order to continue their education. As well, "the discouraged worker effect" might play a role in declining participation rates as some people may have given up looking for work because they have become discouraged. The third factor for a declining male participation rate could be that older male workers are retiring earlier.

The female participation rate on Prince Edward Island between 1975 and 1981 increased by 5.9 percentage points. With difficult economic times, many families may be experiencing increasing difficulty living on one income so perhaps more women are either looking for work or working to supplement the family income. As well, this increase could be a result of highly educated women realizing that the opportunity cost of not working is very high. Females are also delaying having children until later in life, which allows women to pursue their career opportunities more-so than previously.

Quite unexpectedly in 1982, the female participation rate declined by .9 percent over the 1981 level. Although still higher than it had been in the late 1970's, this decline marked the first time in seven years that a decrease was experienced in the female participation rate. This decline in 1982 was probably a result of fewer employment opportunities.

The most significant declines in the unadjusted participation rates for females in 1982 was during the months of May and September when the participation

rates for females declined by 3.0 percent and 3.1 percent respectively. For August through December 1982, employment for women had declined with the most significant difference taking place in August when 2,000 fewer women were employed than had been in 1981. This is possibly a result of fewer employment opportunities in the seasonal industries such as tourism and fisheries.

Between June and September of 1982, participation rates on Prince Edward Island were at a five year low. When participation rates between May and September are averaged there is a drop of 2.4 percent between 1981 and 1982. This is perhaps an indication of the difficult economic circumstances that were experienced in 1982. This reduction in participation rates would also impact on the size of the labour force.

LABOUR FORCE

For a third year in a row, the actual labour force for Prince Edward Island remained constant at 54,000. As Table 3 illustrates, Prince Edward Island's labour force has been increasing since 1971, however, since 1980, the labour force has remained constant.

TABLE 3

PRINCE EDWARD ISLAND LABOUR FORCE BY SEX: 1966-1982

Labour Force Prince Edward Island Both Sexes

- Unadjusted Series -

	J	F	M	A	M	J	J	A	S	O	N	D	Avg.	Percent Growth
1966	35	36	36	37	37	38	39	40	38	39	37	34	37	0
1967	33	35	36	36	37	38	39	40	39	41	36	36	37	0
1968	35	35	33	34	36	39	41	41	38	39	36	35	37	0
1969	37	35	35	37	39	41	43	43	41	42	39	36	39	5.4
1970	33	33	32	33	40	42	43	42	37	39	39	35	37	-5.12
1971	36	37	36	38	40	43	45	44	42	41	41	39	40	8.10
1972	39	37	39	38	40	43	45	46	44	41	41	38	41	2.5
1973	37	37	38	39	44	48	46	48	44	41	40	39	42	2.43
1974	39	38	41	41	45	46	49	48	45	45	43	43	44	4.76
1975	41	40	41	42	47	48	51	52	49	49	45	44	46	4.54
1976	44	45	44	44	47	50	52	50	49	48	47	44	47	2.17
1977	43	45	45	46	50	52	54	54	49	49	48	46	48	2.12
1978	45	45	47	48	52	55	56	55	53	52	49	38	50	4.16
1979	47	47	49	51	53	56	57	58	55	54	53	51	53	6.00
1980	50	50	51	51	55	58	59	60	55	55	52	50	54	1.88
1981	49	49	50	51	56	58	59	59	56	54	53	51	54	0
1982	49	50	51	52	54	56	59	57	54	54	54	52	54	0

- Seasonally Adjusted Series -

	J	F	M	A	M	J	J	A	S	O	N	D
1966	39	38	39	38	38	37	35	36	36	36	37	36
1967	36	37	39	38	37	37	36	36	37	38	36	38
1968	39	37	36	36	37	37	37	37	37	37	36	36
1969	40	38	38	38	38	38	39	39	39	41	39	38
1970	37	37	36	35	40	39	38	38	35	37	38	38
1971	40	41	39	40	39	40	41	40	40	41	41	41
1972	43	41	43	40	39	40	40	41	42	41	41	40
1973	41	42	42	42	43	45	42	44	43	41	41	42
1974	43	43	44	43	43	43	44	44	43	45	44	45
1975	45	44	44	44	45	45	46	47	47	48	47	47
1976	47	49	47	46	46	46	48	45	47	47	47	47
1977	47	49	49	49	49	48	49	50	47	48	49	49
1978	49	49	50	50	50	51	51	51	51	51	50	52
1979	52	51	52	54	52	51	53	53	53	53	54	55
1980	55	55	53	54	54	54	54	55	54	54	53	53
1981	53	53	54	54	55	54	54	54	55	54	55	54
1982	54	54	54	55	53	52	54	52	53	54	54	55

Labour Force Prince Edward Island - Males

- Unadjusted Series -

	J	F	M	A	M	J	J	A	S	O	N	D	Avg.
1975	27	26	26	26	30	30	31	31	30	30	28	27	29
1976	27	28	28	28	30	31	32	32	31	30	29	28	29
1977	27	27	28	29	31	32	33	33	31	30	29	28	30
1978	27	28	29	30	32	33	33	33	31	32	30	29	31
1979	29	29	30	30	32	33	34	34	33	32	32	31	32
1980	30	30	30	31	33	35	35	35	33	33	31	30	32
1981	30	29	30	31	33	34	35	35	33	32	31	30	32
1982	30	30	30	31	32	33	35	34	33	32	32	31	32

Labour Force Prince Edward Island - Females

- Unadjusted Series -

	J	F	M	A	M	J	J	A	S	O	N	D	Avg.
1975	14	14	15	15	16	18	20	20	19	19	17	17	17
1976	17	17	17	17	18	18	20	19	18	18	17	16	18
1977	16	18	17	17	19	20	21	21	19	19	19	18	19
1978	17	18	18	18	20	22	22	22	21	20	19	19	20
1979	18	19	19	20	21	22	23	23	22	22	21	20	21
1980	20	20	20	20	22	23	24	24	22	22	21	20	22
1981	20	20	20	20	23	24	24	25	23	22	22	21	22
1982	20	19	21	21	22	23	24	24	22	22	22	21	22

SOURCE: Statistics Canada, Historical Labour Force Statistics, 71-201, (Page 49)

The limited growth in the size of the working age population as well as the decline in the participation rates are the two main reasons as to why the labour force did not grow in 1982. It is interesting to note, however, that in May, August, and September, the labour force declined monthly by 2,000 over the previous year.

The 1982 figures show that increases in the labour force were experienced in the February to April and November and December time periods. This may

be an indication that seasonally employed people are no longer dropping out of the labour force but are seeking other work.

EMPLOYMENT

For the first time since 1972, employment declined by 2.08 percent in 1982. The Canadian figures for 1981-1982 also reflect a decline of 3.28 percent. Table 4 presents the data.

TABLE 4

EMPLOYMENT ON PRINCE EDWARD ISLAND: 1966-1982

Employment Prince Edward Island - Both Sexes - 15 Years and Over

- Unadjusted Series -

	J	F	M	A	M	J	J	A	S	O	N	D	AVG.	Percent Growth
1966	32	32	32	34	37	38	38	39	37	39	35	32	35	0
1967	29	31	32	32	34	38	37	38	38	40	35	33	35	0
1968	39	39	29	31	35	37	39	38	37	39	34	33	34	2.85
1969	33	32	31	33	38	40	41	40	39	41	36	33	36	5.88
1970	30	30	29	30	38	40	41	40	36	37	35	32	35	-2.77
1971	33	33	32	34	39	41	42	42	41	38	38	34	37	5.71
1972	31	31	32	33	36	41	41	42	39	39	37	34	36	-2.70
1973	33	33	35	38	43	45	44	46	41	39	37	36	39	8.33
1974	34	34	36	37	42	44	46	46	44	44	41	39	41	5.12
1975	38	36	37	37	44	46	48	47	45	46	42	40	42	2.43
1976	39	39	39	38	43	46	47	47	45	44	42	40	42	0
1977	38	39	40	40	45	49	49	50	46	45	43	41	44	4.76
1978	39	40	41	41	47	51	51	51	48	48	44	43	45	2.27
1979	41	40	42	42	48	50	52	53	50	49	47	46	47	4.44
1980	44	44	44	44	49	53	54	55	51	49	45	44	48	2.12
1981	43	42	42	43	51	53	54	55	50	49	46	45	48	0
1982	43	43	43	44	46	50	52	51	48	46	45	47	47	-2.08

TABLE 4 (Continued)

-- Seasonally Adjusted Series -

	J	F	M	A	M	J	J	A	S	O	N	D
1966	37	36	37	37	36	35	34	35	34	34	35	34
1967	34	35	37	35	34	35	33	34	35	36	34	36
1968	35	34	34	33	34	34	34	34	34	35	34	35
1969	38	36	36	36	36	36	36	35	36	38	36	36
1970	35	35	34	33	37	36	36	36	33	34	35	35
1971	38	38	36	37	37	37	37	37	38	37	38	37
1972	37	36	37	36	34	36	36	37	37	37	37	37
1973	38	38	40	41	41	40	39	41	39	38	37	39
1974	39	39	40	40	40	40	41	41	41	43	42	42
1975	43	41	41	41	42	41	42	42	42	44	43	43
1976	43	44	43	42	41	41	42	41	43	42	43	43
1977	43	44	44	44	44	44	44	45	43	43	44	44
1978	44	45	45	45	45	46	46	46	46	46	45	46
1979	46	45	46	47	46	45	47	47	47	47	48	49
1980	49	49	48	48	48	48	48	49	48	48	47	47
1981	47	47	47	48	49	48	48	48	48	48	48	48
1982	48	48	47	48	45	45	47	45	46	47	47	48

Employment Prince Edward Island Both Sexes 15-24 years

- Unadjusted Series -

	J	F	M	A	M	J	J	A	S	O	N	D	Avg.	Percent Growth
1975	11	10	10	9	12	13	15	14	12	12	11	10	12	0
1976	9	9	10	10	12	14	15	15	13	13	12	11	12	0
1977	10	10	10	11	13	15	16	16	12	12	11	11	12	0
1978	10	10	10	10	12	15	17	16	13	13	12	12	13	8.33
1979	11	11	11	11	13	15	17	17	14	13	12	12	13	0
1980	12	12	12	11	14	16	17	17	13	12	11	11	13	0
1981	10	10	10	10	14	15	17	17	13	12	11	10	12	-7.69
1982	10	10	10	11	11	13	16	14	12	12	11	10	12	0

Prince Edward Island Both Sexes 25 years and over

- Unadjusted Series -

	J	F	M	A	M	J	J	A	S	O	N	D	Avg.	Percent Growth
1975	27	27	27	28	32	32	32	32	32	34	31	30	30	0
1976	29	30	29	28	31	32	32	32	33	31	30	29	30	0
1977	28	29	29	30	33	34	34	34	34	33	31	30	31	3.3
1978	29	30	31	31	35	36	35	35	35	35	32	31	33	6.45
1979	30	30	31	31	34	35	35	36	36	36	34	34	33	0
1980	32	32	32	33	36	38	37	38	38	37	35	33	35	6.06
1981	33	33	32	33	37	38	37	38	38	37	35	34	35	0
1982	33	33	33	33	34	37	37	37	37	37	35	35	35	0

Source: Statistics Canada, Historical Labour Force Statistics, 71-201 (page 90)

As can be seen in Table 4, approximately 1,000 fewer people were employed on Prince Edward Island in 1982 than had been in 1981. It is important to bear in mind however, that this difference could be due to Statistics Canada rounding their data to the nearest thousand, meaning that one month there could be 47,499 employed and it would be rounded to 47,000 and the next month 47,501 employed and it would be rounded to 48,000.

In 1981, the number of people employed on Prince Edward Island between the ages of 15 and 24 declined by 7.69 percent. In 1982, however, the employment levels in this age group remained constant at 12,000. As in past years, July was the peak month of employment for this age group but instead of employment remaining relatively constant in August with the July figure as it had been in the past, the August level declined by approximately 2,000 people in 1982.

The 1981-1982 employment figures for those people 25 years and over remained fairly constant, with the exception of May when employment declined by 3,000. This decrease could be a result of a reduction in employment opportunities or the construction industry beginning later in 1982. This one month delay in the construction industry was probably a result of either poor weather conditions or a decreased number of projects in the industry.

EMPLOYMENT BY INDUSTRY AND OCCUPATION

Table 5 presents employment by occupation for Canada and Prince Edward Island in 1982.

TABLE 5

EMPLOYMENT BY OCCUPATION - (P.E.I., Canada, 1982)

(000's)

PRINCE EDWARD ISLAND

OCCUPATION	J	F	M	A	M	J	J	A	S	O	N	D	Annual Average
TOTAL	42	43	43	44	46	50	52	51	48	48	46	45	47
Managerial/Professional	10	10	10	10	10	10	10	10	10	10	10	11	10
Clerical	7	7	7	7	7	7	7	7	6	6	6	6	7
Sales	4	4	4	4	4	5	5	5	5	5	5	4	4
Service	6	6	6	6	6	7	9	9	7	7	7	7	7
Primary	7	7	7	7	9	10	10	9	9	10	8	8	8
Construction	...	...	...	...	...	...	4	4	...	...	...	...	...
Transportation	...	...	...	...	...	...	...	...	...	...	...	...	...
Metal Handling	...	...	...	...	...	...	...	...	...	...	...	...	...
Processing	...	...	4	4	5	5	4	4	4	4	4	4	4

CANADA

OCCUPATION	J	F	M	A	M	J	J	A	S	O	N	D	Annual Average
TOTAL	10413	10414	10459	10432	10704	10888	11002	10907	10544	10517	10359	10249	10574
Managerial/Professional	2575	2607	2654	2626	2633	2660	2635	2596	2537	2584	2588	2612	2608
Clerical	1918	1906	1892	1881	1900	1907	1912	1901	1842	1840	1818	1807	1877
Sales	1115	1115	1120	1121	1128	1135	1139	1128	1089	1090	1083	1103	1114
Service	1400	1411	1420	1430	1471	1513	1561	1528	1456	1465	1443	1452	1462
Primary	565	549	546	550	646	683	721	736	682	657	583	549	622
Construction	561	521	536	542	590	619	648	656	626	606	594	545	587
Transportation	394	399	396	391	398	414	402	389	407	402	403	390	399
Material Handling	397	410	389	394	396	404	405	396	389	386	391	388	395
Processing	1488	1495	1507	1504	1542	1555	1579	1578	1516	1487	1454	1401	1509

... Data unavailable

SOURCE: Statistics Canada, The Labour Force, 71-001, Table 24

On Prince Edward Island, managerial/ professional and primary occupations accounted for much of the employment during 1982. Managerial accounted for 21.3 percent and primary 17 percent of employment on Prince Edward Island. The most noticeable difference between Prince Edward Island's employment by occupation figures and national ones, is the primary occupations. On Prince Edward Island the primary occupations acount for 17.0 percent of employment compared to 5.9 percent nationally.

Table 6 illustrates employment by industry on Prince Edward Island in 1982.

TABLE 6

EMPLOYMENT BY INDUSTRY (P.E.I. Canada) 1982

(000's)

PRINCE EDWARD ISLAND

INDUSTRY	J	F	M	A	M	J	J	A	S	O	N	D	Annual Average	%
TOTAL	43	43	43	44	46	50	52	51	48	48	46	45	47	12.7
Agriculture	6	6	6	5	6	6	7	6	6	7	7	6	6	
Manufacturing	...	...	...	...	...	4	4	...	...	...	...	...	...	
Construction, Transportation & other utilities	4	...	...	...	...	...	...	...	...	...	...	...	...	
Trade	8	8	8	8	8	9	9	9	9	9	9	8	8	17.0
Finance, Insurance, Real Estate	...	...	...	...	...	...	...	...	...	...	...	...	...	
Service	13	13	13	14	13	15	16	15	14	14	15	15	14	29.7
Public Administration	4	4	4	4	4	4	5	5	5	4	4	4	4	8.5
Other Primary Industries	...	...	...	...	...	4	...	...	...	...	...	...	...	

CANADA

INDUSTRY	J	F	M	A	M	J	J	A	S	O	N	D	Annual Average	%
TOTAL	10413	10414	10459	10432	10704	10888	11002	10907	10544	10517	10359	10249	10574	
Agriculture	418	404	418	433	484	492	513	534	515	496	449	429	465	4.3
Manufacturing	1937	1955	1966	1940	1964	1980	1999	1987	1906	1875	1823	1786	1926	18.2
Construction	551	519	530	548	608	650	672	668	623	597	581	529	590	5.5
Transportation, Communication & other utilities	881	881	875	853	869	885	882	877	865	880	884	873	875	8.2
Trade	1844	1826	1829	1829	1859	1881	1900	1856	1795	1806	1808	1835	1839	17.3
Finance, Insurance, Real Estate	602	612	618	628	621	621	611	602	585	583	569	562	601	5.6
Service	3172	3207	3232	3233	3279	3316	3335	3296	3226	3254	3247	3260	3255	30.7
Public Administration	738	741	744	740	760	786	803	804	764	762	750	740	761	7.1
Other Primary Industries	270	268	246	229	258	278	286	284	265	264	249	240	261	2.4

SOURCE: Statistics Canada, The Labour Force, 71-001, Table 44

As can be seen in Table 6, the service industry accounts for approximately 29.8 percent of the employment by industry on Prince Edward Island. Trade is next with 17 percent of the employment and agriculture takes up 12.8 percent of the employment on Prince Edward Island. In the overall Canadian economy, the service industry (30.7%) accounts for the most employment followed by manufacturing (18.2%) and trade (17.3%). It is apparent that agriculture is an important employer on P.E.I. compared to the rest of Canada. As well, manufacturing accounts for more employment in the rest of Canada than on P.E.I.

AVERAGE WEEKLY EARNINGS

Table 7 presents the average weekly earnings for Canada and Prince Edward Island for the first seven months of 1982.

TABLE 7

AVERAGE WEEKLY EARNINGS (CANADA, PEI) 1982

CANADA	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY
INDUSTRY							
Manufacturing	412.24	416.08	417.44	422.37	420.42	423.89	422.95
Transportation Communication & Other Utilities	457.26	426.05	470.26	477.50	477.68	480.00	483.31
Trade	273.23	275.76	276.79	279.85	283.23	284.66	285.15
Finance, Insurance & Real Estate	376.57	380.79	383.05	384.13	384.84	387.63	387.42
Industrial Composite	376.96	381.00	384.23	387.58	387.25	390.59	391.37
PRINCE EDWARD ISLAND							
INDUSTRY							
Manufacturing	304.84	319.38	309.31	299.80	270.69	260.41	259.07
Transportation Communication & Other Utilities	373.65	373.44	394.08	379.94	400.34	367.28	389.80
Trade	203.23	202.10	206.46	211.98	212.66	218.11	221.91
Finance, Insurance Real Estate	311.35	317.36	318.02	324.18	326.15	329.26	337.98
Industrial Composite	268.20	271.04	279.70	275.77	272.16	271.03	279.34

* To-date data on average weekly earnings is only available up until July of 1982

SOURCE: Statistics Canada, Employment Earnings and Hours, 72-002, Tables 2 and 3

In order to fully understand, the average weekly earnings table, the terms earnings and industrial composite should first be explained. The term earnings is used to describe the total weekly wages of the wage earners and salaries of the salaried employees. Industrial composite is the sum of all industries with the exception of agriculture, fishing and trapping, education and related services, health and welfare services, religious organizations, private households and public administration and defence.

Wage increases on Prince Edward Island were recorded in transportation, communication and other utilities, trade and finance, insurance and real estate. Manufacturing, over the seven month period decreased by 15 percent. The greatest increase in average weekly earnings was in the trade industry where the average weekly earnings increased by 9.2 percent over the seven month period. In Canada, as a whole, the transportation, communication and other utilities showed the greatest increase in average weekly earnings at 5.7 percent.

The industrial composite on Prince Edward Island rose by 4.2 percent between January and July of 1982, whereas the Canadian composite for the same period rose by 3.8 percent. Even though the Island percentage growth was higher than the national increase, the Prince Edward Island average weekly wage for the industrial composite is still $112.03 below the Canadian composite for July of 1982.

UNEMPLOYMENT

Even with a declining participation rate and the size of the working age population remaining constant, the numbers unemployed were up slightly in 1982. Based on the Labour Force Survey results, the peak month of

unemployment was April when 9,000 people were unemployed but by June this figure had declined to 6,000. In November, the number had once again increased to 8,000 people unemployed but in December, the numbers unemployed had once again decreased to 7,000. The fluctuation in the numbers unemployed may not be as significant as a result of Statistics Canada's rounding policy. Table 8 presents the data on unemployment on Prince Edward Island.

TABLE 8

UNEMPLOYMENT ON PRINCE EDWARD ISLAND : 1966-1982

Unemployment Prince Edward Island Both Sexes

- Unadjusted Series -

	J	F	M	A	M	J	J	A	S	O	N	D	Avg.
1966	4	4	4	...	...	...	...	...	...	...	...	...	...
1967	6	4	4	4	...	...	...	...	...	...	...	...	...
1968	6	5	4	4	...	...	...	...	...	...	...	...	...
1969	4	...	4	4	...	...	...	4	...	...	...	...	...
1970	...	...	4	4	...	...	...	...	...	...	...	...	...
1971	...	4	4	4	...	...	...	...	...	...	...	5	...
1972	7	6	6	5	4	...	4	4	5	...	4	4	4
1973	4	5	...	...	...	4	...	...	...	...	...	...	...
1974	5	5	5	4	...	...	...	...	...	...	...	...	...
1975	...	4	4	5	...	...	...	5	4	...	...	4	4
1976	5	6	5	6	5	4	5	4	4	4	4	4	4
1977	5	6	6	6	5	4	5	4	4	4	5	5	5
1978	5	5	6	7	5	4	4	4	4	4	5	6	5
1979	6	7	7	8	6	5	5	5	5	5	6	5	6
1980	6	7	7	8	6	5	5	5	5	5	6	6	6
1981	6	7	8	8	6	5	5	5	6	5	7	6	6
1982	6	7	8	9	8	6	6	6	6	6	8	7	7

- Seasonally Adjusted Series -

	J	F	M	A	M	J	J	A	S	O	N	D
1966	...	...	...	...	...	...	...	...	...	...	...	...
1967	...	...	...	...	...	...	...	...	...	...	...	...
1968	4	...	...	...	...	...	...	...	...	...	...	...
1969	...	...	...	...	...	...	...	4	...	...	...	...
1970	...	...	...	...	...	...	...	...	...	...	...	...
1971	...	...	...	...	...	...	4	...	...	4	...	4
1972	6	5	5	4	5	4	4	4	5	4	4	...

Seasonally Adjusted Series -(Continued)

	J	F	M	A	M	J	J	A	S	O	N	D
1973	...	4	...	...	...	5	...	...	4	...	4	...
1974	4	4	4	...	...	...	...	...	...	...	...	...
1975	...	...	...	...	...	4	4	5	5	4	4	4
1976	4	5	4	4	5	5	6	4	4	5	4	4
1977	4	5	5	5	5	4	5	5	4	5	5	5
1978	5	4	5	5	5	5	5	5	5	5	5	6
1979	6	6	6	7	6	6	6	6	6	6	6	6
1980	6	6	5	6	6	6	6	6	6	6	6	6
1981	6	6	7	6	6	6	6	6	7	6	7	6
1982	6	6	7	7	8	7	7	7	7	7	7	7

SOURCE: Statistics Canada, Historical Labour Force Statistics 71 - 201 (Page 161)

Overall, in 1982, the number unemployed on Prince Edward Island increased by 16.7 percent. The number unemployed nationally increased by 45.3 percent in 1982. Prince Edward Island is faring better than one might expect.

UNEMPLOYMENT INSURANCE CLAIMANTS: THE CANADA EMPLOYMENT AND IMMIGRATION COMMISSION (CEIC)

Table 9 shows a monthly breakdown of the unemployment insurance claimants on Prince Edward Island from CEIC data. For a further explanation of Canada Employment and Immigration Unemployment Insurance data, and how it differs from Labour Force Survey data, please see Appendix II.

TABLE 9

PRINCE EDWARD ISLAND UNEMPLOYMENT INSURANCE CLAIMANTS BY MONTH - 1982

YEAR	J	F	M	A	M	J	J	A	S	O	N	D	Avg.	Increase
1974				9,370	7,041	5,412	4,617	4,565	4,645	5,159	6,466	9,528		
1975	11,443	11,743	11,515	10,678	8,902	6,970	6,207	5,866	6,123	6,918	8,259	10,713	8,778	
1976	12,098	12,254	11,954	11,409	9,360	7,386	7,361	7,022	6,798	7,675	10,122	11,657	9,591	813
1977	12,795	13,106	13,001	13,040	10,306	7,759	7,480	6,903	7,639	8,737	12,097	12,866	10,477	886
1978	13,993	14,128	14,164	14,024	11,577	8,772	8,131	7,443	7,815	8,712	12,097	13,306	11,180	703
1979	14,594	14,545	14,564	14,226	11,643	8,811	8,236	7,246	6,935	7,119	10,544	11,525	11,439	259
1980	12,936	13,232	13,692	13,238	10,954	8,658	7,956	7,581	7,413	8,933	11,117	12,217	10,660	779
1981	13,493	14,067	13,997	13,974	12,049	9,388	9,362	9,037	8,478	9,629	13,424	14,544	11,787	1,127
1982	15,507	15,818	15,752	15,655	14,117	11,121	10,912	10,330	10,483	11,286	14,875	15,867	13,477	1,690

SOURCE: Labour Market Highlights, Canada Employment and Immigration Commission, 1974 - 1982

The number of unemployment insurance claimants increased on the average by 1,690 between 1981 and 1982. Since 1975, the average number of claimants has increased by approximately 4,700. August recorded the lowest number of claims with 10,300, up 14.3 percent from August, 1981. The largest increase in claims in 1982 over the 1981 figures occurred in September when the number of claims increased by 23.6 percent from the previous year. Between August and December of 1982, the number of claims increased 53.6 percent to reach an all time high of 15,867 claims in December. This is perhaps a reflection of the difficulty of obtaining employment.

LABOUR DEMAND

The Canada Employment and Immigration Commission job vacancies data is based on the number of job orders received. As Table 10 shows, as the number of employment opportunities, decline, as was the case in 1982, so do the job vacancies.

TABLE 10

PRINCE EDWARD ISLAND JOB VACANCIES BY MONTH: CANADA EMPLOYMENT AND IMMIGRATION COMMISSION

1977-1982

YEAR	J	F	M	A	M	J	J	A	S	O	N	D	ANNUAL
1977	805	412	620	1006	1462	1498	1160	850	895	714	1093	411	10,926
1978	589	431	559	847	1438	1303	1015	1203	976	713	537	334	9,945
1979	518	483	639	862	1499	1035	977	780	718	910	687	351	9,459
1980	406	366	414	645	1276	1121	940	765	681	388	450	516	7,820
1981	292	350	470	640	885	901	794	807	417	257	297	490	6,600
1982	355	319	388	509	556	348	298	546	465	262	622	315	4,983*

* In May of 1982, CEIC began to exclude students from the total number of notified vacancies so this could create a discrepancy between 1981 and 1982 figures.

SOURCE: Labour Market Highlights, Canada Employment and Immigration Commission 1977-1982

From 1977 to 1982 , job orders through the Canada Employment and Immigration Commission have decreased by 5,943 or 54 percent. Why such a drop in job orders? There are several possible answers. Part of the drop between 1981 and 1982 in Canada Employment and Immigration Commission job vacancy figures, especially after May, is due to students being removed from the figures. One might also expect that the drop could be a result of a decrease in employment opportunities.

Another way to illustrate how employment opportunities have declined is to look at the help wanted index produced by Statistics Canada. This index is based on want advertisements for employment from 12 selected newspapers in the major metropolitan areas across Canada. The number of want ads are counted in each newspaper and then compiled quarterly, both nationally and by region. Table 11 provides the Help-wanted Index for Canada and the Regions for 1972 to 1982.

TABLE 11

HELP-WANTED INDEX, CANADA AND REGIONS, 1972 to 1982

Seasonally Adjusted
(1969=100)

YEAR	QI	QII	QIII	QIV	Annual Average	QI	QII	QIII	QIV	Annual Average
			Canada					Atlantic Provinces		
1972	106	111	119	125	115	85	97	102	131	104
1973	130	137	157	170	148	121	124	139	164	137
1974	191	209	213	183	199	216	229	238	263	236
1975	159	166	169	159	163	213	216	255	159	211
1976	166	151	156	154	157	130	132	155	129	136
1977	156	153	151	150	152	166	168	135	135	151
1978	156	158	162	184	165	124	133	132	166	139
1979	175	186	198	196	188	146	139	125	129	135
1980	204	195	204	210	203	139	139	157	143	145
1981	231	221	241	202	224	144	116	128	145	133
1982	152	100	74	69	99	96	90	86	75	86

YEAR	QI	QII	QIII	QIV	Annual Average	QI	QII	QIII	QIV	Annual Average
		Quebec						Ontario		
1972	109	112	117	116	114	105	111	122	128	117
1973	128	126	152	156	140	132	139	159	165	149
1974	180	214	215	205	203	175	181	183	143	170
1975	178	195	222	206	200	120	119	116	107	115
1976	205	190	196	189	195	114	100	107	102	106
1977	185	185	189	197	189	107	104	103	100	104
1978	204	197	203	220	206	101	106	112	133	113
1979	185	176	163	179	176	142	157	166	158	156
1980	189	172	188	176	181	175	147	149	160	158
1981	174	161	164	133	158	191	160	194	176	180
1982	107	72	59	63	75	135	97	72	64	92
		Prairie Provinces						British Columbia		
1972	108	115	122	139	121	104	106	118	122	113
1973	129	143	155	197	156	133	159	175	199	166
1974	217	236	253	216	230	227	235	242	180	221
1975	193	212	187	192	196	156	155	147	149	152
1976	210	203	211	224	212	166	141	140	145	148
1977	209	199	195	186	197	151	149	144	140	146
1978	211	213	222	262	227	138	151	142	155	146
1979	262	294	340	340	309	158	172	217	209	189
1980	330	331	342	377	345	223	237	245	289	249
1981	397	403	433	375	402	388	357	363	292	350
1982	282	154	104	86	157	217	117	75	80	122

In 1982, the Help Wanted index for Canada decreased by approximately 56 percent. The Atlantic Region experienced a 35.3 percent decrease in the Help Wanted Index, the lowest decrease in Canada. The Help Wanted Index, however declined by 49 percent during the fourth quarter of 1982. Clearly both the Help Wanted Index and the number of job vacancies have declined which reflects an overall decline in labour demand.

OVERALL ASSESSMENT

Overall, the basic question to ask is, how did the Prince Edward Island labour market change in 1982?

- The working age population increased in 1982 but at a rate much slower than recorded in the 1970's.
- Participation rates declined in 1982 but were still above those rates of the late 1970's
- Employment was down by approximately 2.08 percent or 1,000 people in 1982. Unemployment, however, increased by approximately 1,000.
- Job orders through the Canada Employment and Immigration Commission were at an all-time low.
- Average weekly earnings showed a decline in the manufacturing industry on Prince Edward Island in 1982 but overall wages showed a 4.1 percent increase. Overall wages nationally showed a 3.8 percent increase, well below the Consumer Price Index.

Managerial and primary occupations accounted for 38.3 percent of the employment on Prince Edward Island whereas nationally these two occupational groups accounted for approximately 30 percent of the employment share.

- On Prince Edward Island, primary occupations accounted for 14.9 percent of the employment by occupation. On a national level however, the employment share for primary occupations was much lower at 5.9 percent.
- The service industry accounted for approximately 29.8 percent of the employment by industry on Prince Edward Island which is approximately the same as the national share.

LABOUR MARKET OUTLOOK

It is apparent that 1982 was not a "boom" year, how will Prince Edward Island fare in 1983? One can only speculate as to what the upcoming twelve months will hold in store for the Prince Edward Island economy. The following section will discuss various sectors in the Island economy and attempt to forecast possible trends.

AGRICULTURE

In 1982, the agricultural industry suffered many setbacks. Abnormal weather conditions led to poorer quality products and lower yields, especially in the potato industry. With the proposed closure of Canada Packers Plant in Charlottetown, came additional pressure and uncertainty for beef and hog producers on Prince Edward Island. Dairy producers felt the pinch as well in 1982 with milk quotas being decreased late in the year. On a brighter note, however, Island tobacco growers had an excellent year with early estimates putting the crop harvest at 7.4 million pounds.

With interest rates declining and the Farm Credit Corporation lowering their rates to match those of the chartered banks, the strain financially for farmers in 1983 should be eased somewhat. It is hoped that new markets for potatoes and milk producers such as those established during 1982 in Algeria, the West Indies, Spain and Greece will be retained and new markets found in 1983.

Although the proposed shutdown of certain operations in the Canada Packers Plant poses problems, the take over of Island Meat Packers in Ebenezer, Prince Edward Island, by Moncton interests and the proposed expansion of those facilities offers reason for optimism for Island meat producers. It is expected, as well, that the trend of low beef prices experienced in 1982 will not continue.

Although no-one can say for certain what the future prospects are, such initiatives as Agriculture Canada's 7.3 million dollar programs will help to aid the industry. As well, with projects such as the Veterinary College coming to Charlottetown even more emphasis will be placed upon agriculture. If such things as weather and market conditions remain stable then 1983 will likely show an improvement over 1982.

FISHING

Overall 1982 was a relatively good year for Prince Edward Island lobster fishermen. A 25 percent increase in landed values for lobsters was experienced with the lobster industry accounting for 76 percent of receipts to fishermen in 1982.

Other species of fish, however, did not bring the yields that lobster did. The groundfish industry and hake industry showed no improvement and the closure of the Georgetown Seafood plant increased unemployment in the processing industry.

The outlook for 1983 in the fisheries, however, is encouraging. Recent announcements that tuna quotas will increase in 1983 have sparked the industry. The granting of snow crab licenses off Prince Edward Island as well gives new hope for the industry. Lobster prices are expected to remain high in 1983 as American inventories are low as a result of the collapse of the Alaskan King Crab industry.

If the fishery is to prosper new markets must be secured as well as new species harvested. The recently released Kirby Task Force has far reaching implications that could bring about many changes in the fishery industry.

MANUFACTURING

The manufacturing sector of the Prince Edward Island economy had a difficult year in 1982 with the manufacturing employment continuing to fall. It has been forecast by the Conference Board of Canada that the production of goods and services will be up by 1.3 percent in 1983. This is an encouraging sign due to the fact that the goods-producing sector is a prime contributor to economic growth on Prince Edward Island.

CONSTRUCTION

As interest rates decrease, the Island construction industry will hopefully be revitalized. in 1982, housing starts were down to their lowest period in recent years. With projects such as the Veterinary college coming to Charlottetown, the new control tower and runway at the Charlottetown airport, the extension to the high school at Souris, a new school in Kinkora, a 75 bed special care facility in Summerside, as well as various other continuing projects such as the Department of Veteran's Affairs building, and the Convention Centre, it is expected that the construction industry will recover somewhat in 1983.

FORESTRY

Through the Forestry branch and the Canada Employment and Immigration Commission, 90 people who were formerly unemployed began to work in forestry. As well, in 1982, a Forest Management Incentive Program was introduced which resulted in approximately 300 new interests making application to the program. With these 300 new applicants, the client participation in the program has now risen to approximately 787.

In 1983, it is expected that the positions created by Energy and Forestry and Canada Employment and Immigration Commission will continue, thus enabling the employment levels within the industry to remain constant if not increase slightly.

TRANSPORTATION

1982 saw the introduction of a new ferry, the Abby II, to the Borden-Cape Tormentine run. Late in 1982, the number of ferry crossings were reduced. As well, C.N. announced late in the year, future cutbacks in their rail services on Prince Edward Island.

Due to these factors transportation employment

is expected to decline in 1983 but to what extent is difficult to predict.

TOURISM

Fewer tourists (3.4%) came to Prince Edward Island between 15 May and 31 October 1982 than had in 1981. The number of bus tours decreased in 1982 as well. Fewer tourists came to Prince Edward Island from New Brunswick and Nova Scotia, a disappointing fact considering most tourists to Prince Edward Island come from these two provinces. It has been noted however, that tourist operators are not too disappointed with the season considering the economic conditions.

Such factors, as exchange rates and amount of disposable income will play an important role in the Island Tourist trade in 1983. If inflation increases but wages do not, then the amount of disposable income and in turn spending power will be reduced which will perhaps reduce the number of tourists.

FINANCE, INSURANCE AND REAL ESTATE AND SERVICE

Real estate employment might increase as interest rates come down and more persons decide to purchase homes. However, it is expected that employment will remain fairly constant.

Employment in the service sector will either remain constant or possibly decline slightly as the amount of disposable income is reduced.

PUBLIC EMPLOYMENT

The Department of Veteran's Affairs move to Prince Edward Island has far reaching effects for many sectors of the economy. Public administration positions will increase with sectors such as finance, community business and personal service experiencing increased growth as the relocation continues to take place.

In 1983, alone, 128 positions will come to Prince Edward Island through the relocation of the Bureau of Pensions Advocates.

SUMMARY

Prince Edward Island has seen many fluctuations in 1982. With the slowing of inflation, declined interest rates, increased activity in the construction industry and no major set backs in any of the other industries, 1983 could be the beginning, at least, for increased economic growth, and in turn employment growth that Prince Edward Island needs in order to brighten its future economic outlook.

APPENDIX I

DATA SOURCES

This report examined data collected by Statistics Canada's, Labour Force Survey and the Canada Employment and Immigration Commission.

The most extensive study is the Labour Force Survey which is a monthly report by Statistics Canada based on data collected from a survey of 56,000 representative households across Canada. The samples used in the survey represents all persons in the population 15 years of age and over residing in Canada, with the exception of residents of the Yukon, Northwest Territories, persons living on Indian reserves, inmates of institutions and full time members of the armed forces. The survey gives detailed information on employment, unemployment, number of hours worked and other related topics. As well, the survey provides data on the reasons for not working, methods of job search and the activities of those who do not work for pay. Provincial and regional breakdowns of data are available as well.

Statistics Canada also produces a publication entitled Employment Earnings and Hours. Data are collected through a mail census of larger firms which are defined as a business entity whether incorporated or not. The word "larger" implies that the firm employs 20 or more persons in any one month. The listing for the survey is taken from the Business Register and Profiling Division of Statistics Canada. All commercial industries with the exception of the following industries are included: agriculture, fishing and trapping, education and related services, health and welfare services, private households, public administration and defense. Average weekly earnings, by industry are included

APPENDIX I - Continued

in the Employment and Earnings publication for both the provinces and Canada overall.

The final Statistics Canada publication to be used in this report is the Help-Wanted Index. This index is based on help-wanted advertisements for employment from 12 selected newspapers in the major metropolitan areas across Canada. The number of want advertisements are counted in each newspaper and then compiled quarterly, both nationally and by region.

Each month, the Canada Employment and Immigration Commission produces the number of unemployment insurance claimants as well as job vacancies.

The Canada Employment and Immigration Commission unemployment data are collected from the number of people claiming unemployment insurance benefits. This method of examining the unemployed is fairly accurate as anyone who is unemployed seasonally or temporarily would appear in the data. Canada Employment and Immigration Commission data do not, however, take into account those people just entering the labour market or those people who have exhausted their claims.

The second type of Canada Employment and Immigration data used in this report is the job vacancies which are based on the number of job orders received by the Canada Employment and Immigration Commission offices.

APPENDIX II

The Labour Force Survey uses the following criteria to classify "unemployed" persons. "Those persons who during the reference week: (a) were without work, had actively looked for work in the past four weeks (ending with the reference week) and were available for work; (b) had not actively looked for work in the past four weeks but had been on layoff for 26 weeks or less and were available for work; and (c) had not actively looked for work in the past four weeks but had a new job to start in four weeks or less from the reference week and were available for work." The Labour Force Survey's definition is based on the concepts of looking for work and availability to work.

This differs from the Canada Employment and Immigration Commission's (CEIC) administrative data which are based on the individuals ability to establish a claim. Thus, one data source might include which the other excludes a group, for example:

GROUP	CEIC	LABOUR FORCE SURVEY
Those persons who exhausted their unemployment insurance claim	EXCLUDED	INCLUDED
Those persons unable to establish an unemployment insurance claim	EXCLUDED	INCLUDED

As well, unemployment insurance claimants may be collecting unemployment insurance benefits but are actively seeking work. For example, persons on maternity or sick leave are legally entitled to collect unemployment insurance. These people may indeed be unemployed but when asked by the Labour Force Survey interviewers, if they are actively looking for work, they may say no and hence not be included in the unemployment figures. If this were to be the case then

the number claiming unemployment insurance benefits would exceed the Labour Force Survey figures. This of course is the case on P.E.I. where the number drawing unemployment insurance exceeds the Labour Force Survey estimates. As a result of conceptual differences, the converse could occur.

The number unemployed according to the Labour Force Survey could be greater than the number of people claiming unemployment insurance benefits as well. People may indicate that they are looking for work but are new job seekers who are not eligible for unemployment insurance or long term unemployed who have exhausted their unemployment insurance claims. Thus, conceptual differences account for the variation in the measurement of unemployment by the Canada Employment and Immigration Commission and the Labour Force Survey.